

GOVERNMENTAL AND LEGISLATIVE NEWS

NEW PROVISIONS GOVERNING THE ENERGY SECTOR

On 22nd December, the Minister of Economy Waldemar PAWLAK presented the long-awaited draft bills on the energy sector. The energy package comprises the Energy Law, the Law on Gas and the Law on Renewable Energy. It is the last draft bill that has attracted wide attention since it implements the EU Directive 2009/28 on promotion of use of renewable energy and will change the support mechanisms to renewable energy. Financial support will be reduced for co-combustion, hydropower and on-shore wind power, whereas greater support will be provided for biogas, off-shore wind power, biomass and photovoltaics. The texts are now subject to public consultations, a specific agenda for further proceedings has not been yet defined.

PLAN OF WORK OF THE GOVERNMENT FOR 2012

End of December 2011, the Council of Ministers adopted its programme for legislative works for 2012 which contains, among others, the controversial reforms announced by the Prime Minister Donald TUSK (PO) during his inauguration speech (11 projects) and the acts implementing the European legislation (27 projects). In 2012, the government wishes to establish rules for enhanced financial security and discipline, to change the pension system, including the extension of the pension age up to 67, as well as to introduce new legislation on the mining sector (including shale gas).

CHANGES IN THE MINISTRY OF INTERNAL AFFAIRS

On 3rd January, the Vice-minister of Internal Affairs Adam RAPACKI was dismissed by the Prime Minister Donald TUSK, upon request filed by the Minister of Internal Affairs Jacek CICHOCKI. Mr RAPACKI, ex-policeman and Vice-minister since 2007 was now replaced by two successors: Michał DESKUR and Roman DMOWSKI. Minister CICHOCKI explained that personal changes were necessary due to the reorganization of the former Ministry of Internal Affairs and Administration. However, the policy commentators stressed that Mr. RAPACKI was dismissed for political reasons rooted in the internal structures of the ruling party (PO).

ECONOMIC NEWS

PGE : NUCLEAR TURMOIL

PGE, the Polish Energy Group, has experienced several turbulences regarding its involvement in the nuclear energy. On 14th December, PGE announced its willingness to withdraw from the project of nuclear plant construction in Lithuania which, in consequence, led to the resignation of the well-known CEO Tomasz ZADROGA and political controversies in the Polish-Lithuanian relations. Following, the company presented the three potential localisations for the first nuclear plant in Poland, all located in the north, which resulted in intense protests from inhabitants of one of the selected areas. Moreover, the Group is prone to face difficulties in obtaining financing of banks for the project by due to social and political tension, as declared an anonymous MP and some experts.

POLISH HIGH-SPEED RAIL AND CENTRAL AIRPORT ON HOLD

On 7th December, during a press conference, the new Minister of Transport Sławomir NOWAK declared that the project concerning the construction of the high-speed rail (HSR) network was no longer a priority for the Ministry. Whereas the government declared that the HSR will be ready by 2020, the launching was rescheduled for 2030 due to the budget issues. The similar fate may share the project of Central Airport in Poland, which was scheduled to be launched in 2013 and ready by 2020. Minister NOWAK stressed that focus should be on modernisation of existing infrastructure, the railway in particular.

INTERNATIONAL

STRATEGIC PARTNERSHIP WITH CHINA

On 20th December, during his visit to China, the President Bronisław KOMOROWSKI and his Chinese counterpart Hu JINTAO signed a declaration on the strategic partnership between the two countries. M. KOMOROWSKI, who went to China to promote the development of Polish-Chinese economic relations, stressed that by signing this declaration, Poland has become one of the seven EU states with relations with China at strategic level. In the meantime, the Polish copper company KGHM signed a contract worth 1.5 to 3 milliard euro concerning the delivery of copper cathodes to the Chinese company Minmetals for the period 2012-2015.

THE END OF THE POLISH PRESIDENCY

On 31st December, Poland completed 6 months of its first Presidency of the EU Council and passed the Presidency to Denmark. Over that period 452 meetings took place in Poland, including 20 informal meetings of the EU Council and ministerial meetings, 30 ministerial-level conferences and more than 300 expert conferences. The major success of the Polish Presidency of the EU Council are as follows: the acceptance of the EU budget for 2012, the general agreement on the EU common patent, the signing of the accession treaty with Croatia.

COUNTRY PROFILE

GDP : €374,5 billion (2009)
Population : 38 130 302
Area : 312 685 km²
Capital : Warsaw

Poland, with access to the Baltic Sea, has a strategic position in Central and Eastern Europe, making it a true crossroads for business and communication for the Eastern European countries.



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